



JTPA

Number: D97-2

Serving the People of California

DIRECTIVE

Date: July 22, 1997

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: JTPA CLOSEOUT HANDBOOK

EXECUTIVE SUMMARY:

Purpose:

This Directive transmits the revised pages of the JTPA Closeout Handbook which includes detailed instructions and reporting materials required for the closeout of all Job Training Partnership Act (JTPA) subgrants.

Scope:

The Handbook has been developed as a reference guide for Service Delivery Areas (SDA) and other recipients of JTPA funds. It provides instructions for preparing and submitting the closeout reports and attachments that are required 45 days after the termination of a contract or 60 days after the termination of a master subgrant.

Effective Date:

This Directive is effective upon its release.

REFERENCES:

Title 20 Code of Federal Regulations (CFR) 627.485

STATE-IMPOSED REQUIREMENTS:

This Directive contains state-imposed requirements that are shown in bold, italic type.

FILING INSTRUCTIONS:

This Directive supersedes JTPA Directive D96-4. Replace pages 5 and 6 of the JTPA Closeout Handbook, that was attached to JTPA Directive D96-4, with the pages attached to this Directive. Retain the Handbook as an attachment to this Directive.

BACKGROUND:

The JTPA Closeout Handbook has been developed to provide SDAs with the instructions and report forms required to initiate the closeout of all subgrants. This eliminates the need for the Job Training Partnership Division (JTPD) to issue these materials each time a closeout is required.

POLICY AND PROCEDURES:

The JTPA Closeout Handbook contains important information on closeout procedures, including reporting requirements and time frames, to assist SDAs in the closeout process. The SDAs will be required to use the forms and instructions contained in the Handbook for all future closeouts.

ACTION:

Copies of this Directive and the JTPA Closeout Handbook revised pages should be provided to all personnel who are responsible for preparing closeout reports or involved in other aspects of the closeout process.

CONTACT PERSON/INQUIRIES:

Please direct questions about this Directive to your program manager, the Title II reporting analyst at (916) 657-2744 or the Title III reporting analyst at (916) 654-7617.

/S/ BILL BURKE
Acting Chief

Attachment

3. Audit Disallowances

For audit disallowances where there is no evidence of willful disregard, gross negligence, failure to observe accepted standards of administration, or fraud, a continuing JTPA subrecipient shall reprogram the collected debt funds into a current year program in which the mis-expenditure occurred. This reprogramming will be applied to the same JTPA title, sub-part and cost category in which the disallowance occurred. Also, the reprogramming must take place during the PY the funds were allocated by the Department of Labor, or within the two succeeding PYs. The subrecipient must also be currently administering the funding sub-part in question.

If the JTPA entity is not currently operating a program funded under the same JTPA title as the one in which the erroneous expenditure occurred or the funds are received after the three-year availability period, the collected audit disallowance, including identification of the JTPA title, sub-part and year of allotment, will be mailed to:

**Employment Development Department
Fund & Program Accounting Section, MIC 70
P.O. Box 826880
Sacramento, CA 94280-0001**

4. Workers Compensation Refunds

The JTPA entity shall return these refunds to the above Employment Development Department address with complete documentation or reprogram these in accordance with the provisions of 20 CFR 627.435(d).

B. Accrued Expenditures

Consider all unpaid costs (outstanding accruals) as of the end of program operations. If accounting records are not normally maintained on an accrual basis, the accrued expenditures information should be developed through an analysis of the records on hand, or, on the basis of best estimates.

All accrued expenditures (see definition) against the subgrant must be included. **No additional claims will be honored after the closeout has been submitted** (per the Subrecipients' Release Form: Attachment 1). The subrecipient is advised to estimate accrued costs with consideration and precision. Inflated costs reported on the closeout as a precautionary measure against any unexpected late charges are not acceptable. The closeout package will be reviewed for its reasonableness and accepted only if all closeout requirements are met.

Prepare a worksheet of outstanding accrued costs as of the final closeout disbursement date. Document sources and methods of determining the accrued costs as of the closeout package date. Supporting documents and methods should include:

1. total unpaid invoices from vendors and suppliers for shipments received and services provided;
2. computed (or estimated) amounts to be billed on receiving reports showing quantities requested for which invoices have not been received;
3. total vouchers for travel, payroll, etc., which have been prepared but not paid. Claims prepared and sent for payment, but not yet paid by the closeout date, must be included as an accrual;
4. estimated salaries and benefits based on the amount of the most recent complete payroll, for the days from the end of the last payroll period to the end of the closeout report period (only if still unpaid); and
5. amounts reported (or estimated amounts) for subcontractors and contractor services for the period not yet received or paid.

V. PREPARING THE CLOSEOUT PACKAGE

A. Closeout Report

The closeout report consists of two forms: The Closeout Summary of Expenditures (JTPA 12 or 12E) and the Closeout Status of Cash Report. **All closeout reports are required in electronic format (JTA transmission, modem file transfer or diskette) and two signed originals of the JTPA 12/12E and the Closeout Status of Cash Report.**

- **Master Subgrant Closeouts:** Master subgrant closeouts require the completion and submission of the JTPA 12 or 12E as well as Attachments 1, 2 and 3. Two originals and four copies of each form are required.
- **Line Item Closeouts:** Line item closeouts require only the completion and submission of the JTPA 12 or 12E and the Closeout Status of Cash Report. Two originals and four copies of each form as requested.